

Improving the Quality and Productivity of the Workforce Tollgate #3

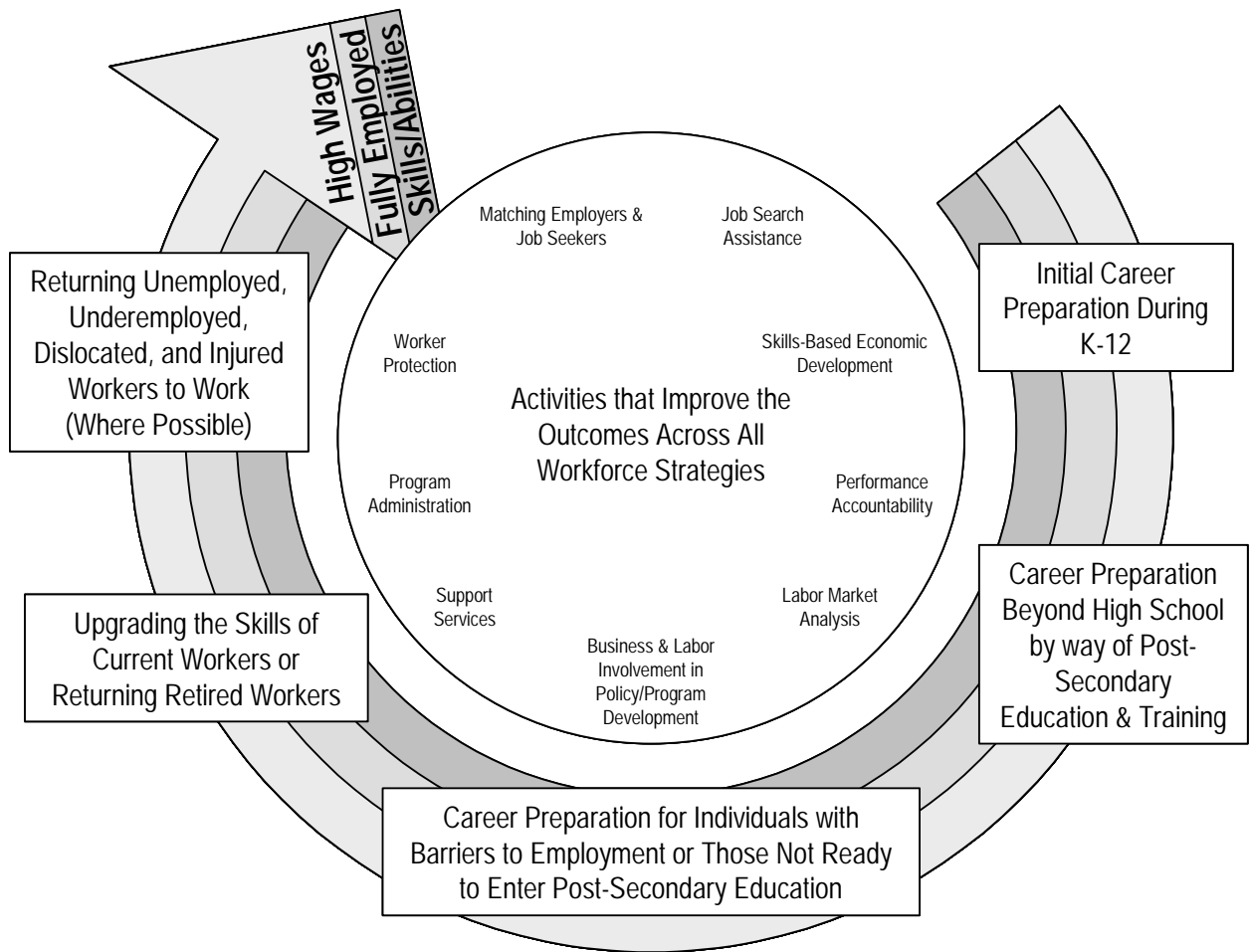
1. Map of Causal Factors

Our map was changed slightly from the version that we provided for Tollgate #2.

Changes are as follows:

- ❖ Activities that Improve the Outcomes Across All Workforce Strategies:
 - Added an activity for program administration
 - Changed the title of Program/Policy Development to recognize business and labor involvement
- ❖ Returning Unemployed, Underemployed, Dislocated, and Injured Workers to Work
 - Changed the title in recognition of those instances where a worker may not be able to return to work (e.g. a worker that is severely injured) but would still be eligible to receive state benefits and services.

Strategies for Preparing the Workforce: A Lifecycle Blueprint



2. List key indicators of success and high-level purchase strategies. Please note if changes have been made from Tollgate #2.

1(a) Percent of Employer Demand Met for Trained Workers (for Jobs Not Requiring a Baccalaureate Degree)

This indicator has been revised in order to make it less sensitive to the business cycle. The new method compares the supply of newly prepared workers during the most recently available year with the number of job openings six years in the future (as opposed to the same year as that for the supply number, which was used in the previous method). For example, if there is no increase in supply from the 2001-02 school year, the supply of newly prepared workers will be 81 percent of the expected demand in 2008.

1(b) Percent of Businesses Reporting Difficulty Hiring Skilled Workers (Among those Attempting to Hire)

The indicator was not changed. Additional detail by region and industry is also presented.

2(a) Percent of Prime Working Age Population Employed (Ages 25-54)

The indicator was not changed. Additional detail by region, gender, and race is also presented.

2(b) Percent of the State Labor Force Employed

The indicator was not changed.

3(a) Washington Average Annual Wage (Inflation Adjusted)

The indicator was not changed. Additional detail on earnings trends by region and industry is also presented.

3(b) Washington Median Hourly Wage (Inflation Adjusted)

This is a new indicator. The median is the middle value of the wage distribution; i.e., half of all workers receive a wage higher than the median and half receive a wage lower than it. The median is less sensitive than the mean to extremely high wages. The indicator is calculated using Unemployment Insurance wage data. Additional regional detail (King versus the rest of the state) for the indicator is also presented.

3(c) Average Hourly Wage for the Lowest-Paid 20 Percent (Inflation Adjusted)

This is a new indicator. It is the average hourly wage for the lowest-paid 20 percent of jobs on a full-time equivalent basis. The indicator is calculated using Unemployment Insurance wage data. Additional regional detail (King versus the rest of the state) for the indicator is also presented.

HIGH LEVEL STRATEGIES

- Initial Career Preparation During K-12
- Career Preparation Beyond High School by Way of Post-Secondary Education and Training
- Career Preparation for Individuals w/Barriers to Employment or Those not Ready to enter Post-Secondary Education
- Upgrading the Skills of Current Workers or Returning Retired Workers
- Returning Unemployed, Dislocated, Underemployed, and Injured Workers to Work (where possible)
- Activities that Improve Outcomes Across all Workforce Strategies

3. Based on agency budget submittals, agency responses to targeted budget instructions, and other research since Tollgate #2 please answer the following questions:

A. What one or two new ideas suggested by your team or agencies appear most worth pursuing to improve results or reduce costs?

Integrate Adult Basic Education and Occupational Skills Training

Nearly 800,000 adults in Washington lack the literacy skills they need to succeed in an increasingly complex world. But literacy is more than just learning skills. Literacy is a new door for the adults who participate, opening opportunities to self-sufficiency, stronger families, and improved citizenship. It also lays the foundation for our state's success in building a strong workforce, a vital economy, and healthy communities.

Evaluations by the state Workforce Board and pilot projects at some of our state's community and technical colleges demonstrate that providing occupational skills training and basic skills training concurrently can result in stronger student outcomes for both employment and earnings. Providing integrated basic skills and vocational instruction has been demonstrated nationally to achieve better results. The results that we've seen in our state's pilot projects back this up. For example, after the September 11, 2001 terrorist attacks, the Port of Seattle worked with instructors from South Seattle Community College to assist limited English-speaking screeners at Sea-Tac International Airport prepare for federal testing. At the end of the class, local screeners passed at three times the rate of screeners at other airports across the country, allowing the Port to retain many of their already-trained employees. Our team believes that similar results are possible in other high-need workforce areas like health care.

Financial Aid for Part-Time Working Students

Investments to train and educate our citizens ensure that they remain competitive for family wage jobs in the state, and ensure that the state's economic health remains strong. These investments should include opportunities for workers at all levels to gain new

knowledge and abilities. Currently, full-time, low-wage workers often have the fewest opportunities, and – arguably – the greatest need for additional education to help them progress in their jobs and improve their livelihoods.

Generally, full-time adult workers are limited in the hours outside of work that they can devote to additional education. Because of work or personal commitments, students in this situation often can take only one class at a time at a local college or university. Many of these workers earn low-wages and lack the discretionary income they would need to cover the costs (tuition and books) for courses that could improve their skills and their contributions to the state's economy.

There are currently a number of federal, state, and institutional financial aid programs that low-income students who attend an accredited college or university at least half-time (six credits or more) can utilize to help offset these costs. Students who are unable to take the minimum of six credits do not qualify for financial aid.

The Higher Education Coordinating Board and State Board for Community and Technical Colleges have proposed a pilot program to provide financial aid for working adults. Financial aid for low-wage, full-time workers to pursue part-time education will enable more workers to gain valuable skills, thereby improving the quality of Washington's workforce. In 2000, 953,000 Washington residents over 25 years of age had a high school diploma, but no additional postsecondary education. Many of these workers do not have enough income to pay for part-time courses. Because they are working full-time, they do not usually have time to take the minimum six credits currently required to qualify for financial aid. A pilot program would allow the state to serve this population, assess demand, and evaluate its impact.

Career Counseling at the Secondary and Postsecondary Level

Following Tollgate #2, a working group that included representatives of the Workforce Board, Employment Security, the State Board for Community and Technical Colleges, and the Office of the Superintendent of Public Instruction developed a strategy package to improve the linkages between workforce development programs, career guidance, and job placement services. The working group identified the resources that are already developed by their agencies and available for wide public use. Given the high quality of resources already available, the members identified distribution and communication as key challenges to increase public awareness and use of these tools.

The agencies are committed to implementing a five-year strategy to improve awareness and use of career planning assets. Under the plan, a team of three or four individuals (one from each key agency) would participate in the delivery of career/student planning presentations and materials, being sure to link with key initiatives such as academic and technical skill improvement (e.g. No Child Left Behind and reemployment for dislocated workers). The presentations would take place in train-the-trainer sessions, conferences, system wide meetings, and professional development opportunities.

In implementing the five-year plan, the first two year's efforts would be directed to the K-12 level, where planning skill-building presentations would have the most impact. Improved student planning skills in K-12 would result in:

- Better high school course selection
- Increased chance in finishing high school
- Improved 13th year plans
- Reduced remediation
- Better postsecondary program selection
- Increased chance of completing postsecondary program

In years three and four, the team delivery approach would concentrate on the postsecondary level. The audiences would include instructors, administrators, program directors, and student services specialists. In year five, the presentations would reach out to service and planning providers for the adult learners and beyond.

The working group has also identified those areas where some gaps and duplication of efforts currently exist. One gap that was identified by the working group was the lack of a statewide strategy to ensure that students have access to a proven program to develop student planning skills. In the Franklin Pierce School District, both the goal of motivating students for higher performance and the need to expand the guidance function combined in the development of Navigation 101. This class, interspersed with all students' regular schedules, provides students with planning skills, career exploration opportunities, portfolio development, and other crucial aspects of student planning. Students lead annual conferences with their parents and a mentor-teacher, during which they explain past performance and make future plans. Since its implementation, the district has seen drop out rates decline and student performance improve. Nine other districts have voluntarily adopted the Franklin Pierce model. The Office of the Superintendent of Public Instruction has submitted a budget request to speed the expansion of this model to 50 additional school districts in the 2005-06 and 2006-07 school years.

B. What changes in government operations, or in state law, are necessary to implement these new ideas?

Integrate Adult Basic Education and Occupational Skills Training

The financial disincentives for colleges to offer adult basic education and other non-tuition generating courses that our group noted in Tollgate #2 still exist. In considering whether to provide funding for integrated courses, the state will need to consider the broader issue of providing additional state funds to offset the lack of tuition support provided for adult basic education programs. There are also higher operational costs to consider as these integrated courses are blended and often require more than one instructor.

Financial Aid for Part-Time Working Students

The Higher Education Coordinating Board has statutory authority to administer pilot projects. The pilot would not necessarily require legislation, but it may be beneficial. Legislative action would be required to create an on-going program.

Career Counseling at the Secondary and Postsecondary Level

The initial team approach that was proposed by the working group was outlined as a five-year plan, utilizing current resources. Accelerating progress would have budget impacts on existing agencies. Additional funding is being requested by the Office of the Superintendent for Public Instruction (OSPI) to begin a broader dissemination of Navigation 101 – a student and career planning model that was developed by the Franklin Pierce School District. Their proposal requests funding for a school guidance system that OSPI would require be tied to the development of school improvement plans required by the State Board of Education.